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SECRET

Validity Study on NIE 55-59
The Outlook for Nepal, Bhutan, and Sikkim
dated 24 November 1959

The main estimates on Nepalese developments have held up reasonably well. NIE 55-59 correctly pointed out that the Nepali Congress government probably would encounter its most serious difficulties in its relations with the monarchy, and that in the event of a showdown Mahendra probably would emerge on top. However, the showdown came somewhat sooner than we anticipated. Most of the assessment on the outlook for Nepal's foreign affairs also proved sound.

